DEPARTMENT OF SOCIAL SERVICES
7UU P Street, Sacramento, CA 95814

September 8, 1992

ACL LETTER NO. 92-80

FSD LETTER NO. 92-24

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| Reason for this Transmittal
|
|[ ]   State Law Change
|[ ]   Federal Law Change
|[ ]   Court Order or Settlement
|        Agreement
|[X]   Clarification Requested by
|        One or More Counties
|[ ]   Initiated by SDSS
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TO: ALL COUNTY WELFARE DIRECTORS
       ALL DISTRICT ATTORNEYS
       ALL FAMILY SUPPORT ADMINISTRATORS

RE: WELFARE/FAMILY SUPPORT (IV-A/IV-D) INTERFACE

        This letter will update counties on the progress of the Statewide
Automated Child Support System (SACSS) project and discuss some of the data
needs for the IV-A/IV-D interface prior to full implementation of SACSS.

        The SACSS project will standardize case processing, reporting, enforcement
and collection and distribution. SACSS will have interfaces with State and
County agencies to help obtain orders and enforce support. One key interface
will be between welfare (IV-A), including AFDC-FG, AFDC-U (paternity only),
Foster Care (IV-E), GAIN (IV-F) and Medically Needy Only; and family support
(IV-D).

        The benefits of a functioning interface between welfare and family support
are:

        —   Ensuring enough information is obtained at welfare intake/renewal on
             the absent parent to begin paternity/support order establishment
             and/or enforcement of existing orders.

        —   Ongoing information exchanges to assist both agencies in maintaining
             accurate records.

        —   Recouping aid paid and incentives on collections to benefit the
             County general fund.

        The State Department of Social Services (SDSS) announced on June 23 the
intent to award to Lockheed IMS the SACSS Implementation Contract. We expect to
begin detailed design work and scheduling County implementation in the near
future.

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Four SACSS pilot Counties (Fresno, Kern, Napa and Sutter) have been selected and are scheduled to implement in 1993. Los Angeles is installing its own system by December 1992. It is proposed that SACSS and the Los Angeles system will interface in 1993. We expect to phase in the remaining Counties in a timely manner based on Lockheed's proposed time frames. The schedule of specific County implementation will be released at a later date.

SDSS, County and vendor staff will begin work on the SACSS detailed design including the IV-A/IV-D interface after the vendor contract process is complete. The interface will accommodate the manual or automated welfare environment in place at the time of IV-D's conversion to SACSS. We will coordinate with the Statewide Automated Welfare System (SAWS), and local agencies to clarify how the automated interface between IV-A and IV-D will work in the future when both agencies are automated.

Currently, in some Counties the IV-A agency distributes child support collections under a Plan of Cooperation with IV-D. In other Counties, the IV-D agency does distribution and notifies IV-A to issue the disregard warrant.

Under SACSS, IV-D will perform the distribution function as described in 45 CFR Sec. 302.32 and 302.51 and will notify IV-A to issue disregard warrants. One of the conversion activities in Counties where IV-A currently performs the distribution function will be to transfer the responsibility of distribution to IV-D. This will mean the agencies must agree to the cessation of the IV-A/IV-D Plan of Cooperation by the time of IV-D's conversion to SACSS.

The remainder of this letter focuses on the Unreimbursed Assistance Pool (UAP) and how IV-A and IV-D may prepare for conversion to SACSS. The UAP is all the aid paid to the family against which collections on assigned support arrears are distributed. If collections are greater than the UAP, an excess payment is generated to the family. In addition, aid paid prior to establishing a formal support order is part of the UAP amount and any unpaid retroactive child support obligation established for the aided period increases the amount of assigned arrears. Subsequent collections on these assigned support arrears help reduce the assigned arrears and are applied against the UAP. Therefore, maintenance of the UAP is critical to IV-D operations and beneficial to the County.

Once SACSS conversion takes place for a case, the system will begin building UAPs on a monthly basis. While it is desirable to have all prior months of aid for each case updated and ready to enter at conversion, many Counties will not have this information available. For Counties which must build UAPs for the time prior to conversion, it is acceptable to do the historical research on a case-by-case basis as a case approaches the point when an excess payment will be generated. We anticipate there will be a flag on each case which has not had UAP research completed. The IV-A agency which made the welfare payments must complete the historical research in a timely manner when requested by the collecting IV-D agency, even if from another County, in order to reimburse those welfare payments as completely as possible.

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It is important that IV-A and IV-D agencies in a County work together to establish procedures to ensure a transfer of adequate monthly payment and collection information for SACSS to build a UAP. It is also imperative that IV-A conduct UAP research as needed to complete the UAP to ensure the collected funds are correctly distributed to either reimburse the welfare grant or paid to the custodial parent.

The following activities will help ease conversion to SACSS and give County IV-A and IV-D agencies some ideas on how the UAP may be built:

IV-A Agencies Performing Distribution for IV-D:

* IV-A should determine if backlogs exist in posting payment information to the CS 278L (Child and Spousal Support Case History and List of Authorizations) or equivalent form. If there are backlogs in this function, IV-A should bring the information up to date for cases receiving payments. Both IV-A and IV-D must work out a mutually acceptable plan to handle the backlog.

* IV-A must immediately begin (or continue) to save the following paper or electronic documentation:

    - ABCD 278L, List of Authorizations to Start, Change or Stop Aid Payments.

    - CA 800/801, Integrated Payroll/Aid Payroll with case-by-case backup, as well as adjustments.

    - Equivalent forms for the above.

    This information will be used to build the UAP in those cases which have not received support payments.

* As in current practice and under current retention requirements, all the automated and manual records will be necessary for future research, should arrears payments reduce the UAP to the point of generating an excess payment to the family. All the records the County has available are necessary to conduct the required research.

* Upon request from IV-D, IV-A agencies shall research their historical records to determine the UAP on a case-by-case basis, both during and after conversion (MPP 43-201.21). After conversion it is expected IV-A will continue to provide monthly assistance paid, either manually or electronically, and IV-D will maintain this data for their use.

IV-D Agencies Performing Distribution:

*   IV-D should determine if backlogs exist in posting information to the CS 278L (Child and Spousal Support Case History and List of Authorizations) or equivalent forms. If there are backlogs, IV-D should bring the information up to date for cases on which collections have been made. IV-A and IV-D may have to work together on an acceptable plan to handle the backlog.

*   IV-A in these Counties must likewise begin or continue to save the records identified herein.

*   IV-A, at the request of IV-D, must research County assistance paid records on a case-by-case basis at the point the UAP may be reimbursed to insure all aid paid has been posted and payments to the family are not generated inappropriately.
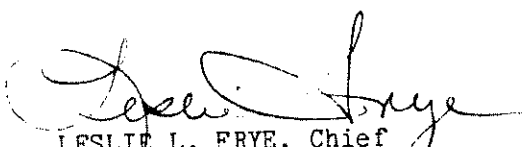
Records Retention Policies:

*   Counties are required to keep Assistance Claims (CA 800/801 or equivalent) three years from the date the State sends the last expenditure report for that period to the Federal Government, or generally four years and four months. If the County has kept such records longer, save such records until conversion or all incomplete UAP's are established, whichever is later. (See All County Letter No. 92-32, dated March 13, 1992, or Welfare & Institutions Code Section 10851.)

*   IV-A is required to keep the ABCD 278 L, or equivalent, for the life of the case or ten years following closure if requested to do so by the Family Support Agency. Such records may be used by IV-A for research on aid paid, as well as using the above claims when necessary to verify the total amount of aid paid in that case (See All County Letter No. 92-32, dated March 13, 1992 and MPP 23-357.9.)

*   IV-A should also identify if all records are available. If documentation is missing for a particular year(s), IV-A should notify IV-D promptly of this fact. It is in the best interest of Counties to retain all such records to enable the eventual establishment of complete UAPs and therefore maximize potential collections and ensure accurate distribution.

Both IV-A and IV-D should begin now to identify any difficulties with referral of welfare cases and the orderly exchange of case information between agencies. The documents (or equivalents) currently used for such exchanges are the CA 2.1Q, Child Support Questionnaire; the CA 371, Referral to District Attorney; CA 51, Child Support—Good Cause Claim for Non-Cooperation; the DHS 6110, Medical Insurance Form; the DHS 6155 if at welfare intake the custodial parent already has medical insurance coverage; and the CS 278M, Part A if IV-A is currently doing distribution.

We encourage Counties to contact your County SACSS program liaison to assist you in planning for a smooth conversion, including IV-A/IV-D interface issues (see attached list). Planning and discussion now between the agencies and with SDSS will benefit welfare and family support in their eventual conversion to SACSS and SAWS.
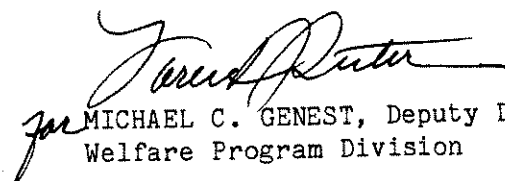
Information will be transmitted to Counties as milestones are reached and policy issues are resolved. If you have any questions, please call your County SACSS program liaison in the Child Support Statewide Automation Bureau as shown on the attached list.

LESLIE L. FRYE, Chief
Child Support Program Branch

for MICHAEL C. GENEST, Deputy Director
Welfare Program Division

Attachment

cc: CWDA